Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Health Care & Wellness Committee

HB 1216

Brief Description: Concerning insurance coverage of treatment of eosinophilia gastrointestinal associated disorders.

Sponsors: Representatives Habib, Clibborn, Jinkins, McCoy, Springer, Morrell, Goodman, Appleton, Tarleton, Ryu, Tharinger and Fey.

Brief Summary of Bill

• Requires health carriers to cover formulas necessary for the treatment of eosinophilia gastrointestinal associated disorders, regardless of delivery method.

Hearing Date: 2/1/13

Staff: Jim Morishima (786-7191).

Background:

I. Eosinophilia.

Eosinophils are a type of white blood cells that contain proteins designed to help the body fight infection. Eosinophilia is an abnormally high number of eosinphils in the blood or body tissues. In some cases, eosinophilia can lead to inflammation of the gastrointestinal tract or the esophagus. Treatments for eosinophilia include corticosteroids and amino acid-based elemental formulas.

II. Mandated Benefits under the Patient Protection and Affordable Care Act.

Beginning in 2014, the federal Patient Protection and Affordable Care Act (PPACA) will require most small group and individual health plans to offer a package of benefits known as the "essential health benefits." A state must defray the costs to consumers for state-mandated benefits that are not included in the state's essential health benefits package.

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To determine the essential health benefits, federal law allows a state to choose a "benchmark" plan from a list of options and to supplement that plan to ensure it covers all of the essential health benefit categories specified in the PPACA. Washington has chosen the largest small group plan in the state as its benchmark, which means most of the state's existing benefit mandates are included in the state's essential health benefit package. The state may not change its benchmark until at least 2016, when the federal government will revisit its approach for designating the essential health benefits.

State law requires the Insurance Commissioner to submit to the Legislature a list of statemandated health benefits, the enforcement of which would result in federally imposed costs to the state. The list must include the anticipated costs to the state of each benefit on the list. The Insurance Commissioner may enforce a benefit on the list only if funds are appropriated by the Legislature for that purpose.

Summary of Bill:

Beginning January 1, 2016, or upon the earliest update of the state's benchmark plan, health insurance contracts must include formulas necessary for the treatment of eosinophilia gastrointestinal associated disorders, regardless of the delivery method of the formula.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.